

Control No. 443592

IWG CASE NO. 47

SUBJECT

Swiss Bank Financing of Strategic Exports to the Soviet Bloc

REQUESTING AGENCY AND DATE

EDAC Working Group on Application and Enforcement; 3 June 1953

DEADLINE FOR RECEIPT OF INFORMATION

For current discussions, as available.

PROPOSED USE

Information to be provided requestor for use in overall U.S. discussions with Swiss Government on export control policies.

PROPOSED DISSEMINATION

Requestor

BACKGROUND AND REFERENCES

Following Washington discussions during the summer of 1952 which were attended by representatives of the Swiss Bankers' Association, the Swiss Legation, and members of the State and Treasury departments, the Association issued on 29 August 1952 a circular instruction to member banks concerning financing of strategic exports to Communist China, and to the Soviet bloc generally. This Association instruction was transmitted to Mr. Hansen by Mr. Elting Arnold, Acting Director, Foreign Assets Control on 26 May 1953. The Working Group on 3 June discussed ED/EC D-17, 2 June 1953, requesting that IWG survey existing information on the subject.

SPECIFIC INFORMATION AND/OR ACTION DESIRED

Information "regarding suspect east-west shipments financed through Swiss banks in violation of the terms of the instruction of August 29" is desired.

OVER

NOTICE

This material contains information affecting the national defense of the United States within the meaning of the espionage laws, Title 18, USC, Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law.

- Lt Problem first considered at meeting of 11 June. Draft CIA paper, IWG/WP-1, "Examples of the Role of Swiss Banks in Financing of East-West Trade Since 29 August 1952" was distributed for comment on 16 July. Following IWG approval, the paper was transmitted as IWG/R-8 to requestor. Case closed.

- S-7: At meeting of 13 August, expression of opinion from Treasury on need for additional information. Data subsequently furnished CIA and case finally closed.